



STATE OF IDAHO
DEPARTMENT OF INSURANCE
700 W. STATE STREET
BOISE, IDAHO 83720
Phone: (208) 334-2250

B U L L E T I N NO. 85-3

TO: ALL INSURANCE COMPANIES WRITING DISABILITY
 LIFE, AND ANNUITY POLICIES IN IDAHO

FROM: WAYNE L. SOWARD, DIRECTOR
 DEPARTMENT OF INSURANCE

SUBJECT: "FREE LOOK" PROVISIONS -- RETURN OF PREMIUMS

"Free Look" provisions in disability insurance policies are mandated by Department of Insurance Regulation No. 30, Section 8-A-7, and Regulation No. 40, Section 9-1-E, and in life and annuity policies by Department of Insurance Regulation No. 41, Section 8-D. These provisions clearly state that, when a policyholder exercises a "Free Look" option, he or she is entitled to a refund of premium. It is the position of this Department that such provisions are intended to require an immediate refund of all premiums directly to the policyholder

Therefore, effective immediately, the following procedures will be followed when a "Free Look" option is exercised:

The insurance company will immediately process a refund of the total premiums paid by the policyholder.

The premium refund will be mailed directly to the policyholder.

Failure to follow this procedure will be considered a violation of the aforementioned Department of Insurance regulations and can result in administrative penalties being imposed.

DEPARTMENT OF INSURANCE
STATE OF IDAHO

A handwritten signature in dark ink, reading "Wayne L. Soward".

WAYNE L. SOWARD
Director

April 1, 1985